

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 93-503-C - ORDER NO. 95-15
JANUARY 5, 1995

IN RE: Investigation of Level of Earnings) ORDER
of Southern Bell Telephone & Telegraph) ADDRESSING
Company.) PLAN FOR LOCAL
) RATE REDUCTIONS

This matter comes before the Public Service Commission of South Carolina (the Commission) in regard to a plan to reduce prospectively the local rates of Southern Bell Telephone & Telegraph Company's (Southern Bell's) customers pursuant to the Commission investigation in this matter.

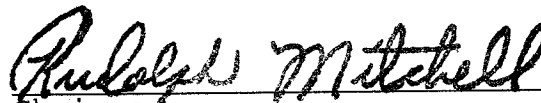
In our Order No. 94-1229, dated December 5, 1994, in this Docket, we ordered Southern Bell to submit a plan to reduce local rates as the result of the Staff investigation of Southern Bell's earnings for the calendar year 1992. Southern Bell submitted the required plan. However, because of a number of issues raised at the time, we set the matter of the local rate reductions for hearing in our Order No. 95-2.

In reconsidering this matter, however, we believe that the issues have been resolved and, we have developed a plan to properly distribute the balance of \$6,444,058 among the local ratepayers.

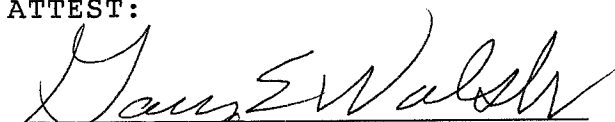
First, we believe that it is appropriate to eliminate all TouchTone charges to residential subscribers. This will amount to a \$4,836,354 prospective rate reduction. We believe that TouchTone is required in today's world in order for consumers to navigate voice mail, and participate in other computer related activities. We do not believe that residential customers should be charged for what should be a standard service to all consumers. We further believe that business TouchTone rates should be reduced with the balance of \$1,607,704.

This plan will result in no TouchTone charge for residential subscribers, 40¢ per month for business subscribers, and 50¢ per month for PBX and semi-public phones. We also believe that these prospective rate reductions will allow those subscribers who paid the money in to get the prospective reductions. Further, we hold that placing this plan in effect will eliminate the need for the hearing ordered in our Order No. 95-2. We believe that this plan is in the best interest of the public, and we hereby adopt it. The plan shall be effective as of the date of this Order. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Deputy Executive Director
(SEAL)